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SENATE BILL 1295

By Cohen

AN ACT to amend Tennessee Code Annotated, Title 36, Chapter 4 and Title 56, Chapter 7, relative to divorce.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 36, Chapter 4, Part 1, is amended by adding a new section thereto, as follows:

Section 36-4-133.

(a) In the event of the granting of a judgment of absolute divorce or of legal separation to which a member of a group hospital, surgical, medical, or dental insurance plan is a party, the person who was the spouse of such member prior to the issuance of such judgment shall be and remain eligible for benefits under such plan, whether or not such judgment was entered prior to the effective date of such plan, without additional premium or examination therefor, as if such judgment had not been entered; provided, that such eligibility shall not be required if such judgment so provides. Such eligibility shall continue through the member's participation in the plan until the remarriage of either the member or the member's spouse, or until such time as provided by such judgment, whichever is earlier. The provision of this section shall apply to any policy issued or renewed within or without this state and which covers residents of this state.

(b) In the event of the remarriage of the group plan member referred to in subsection (a), the former spouse thereafter shall have the right, if so provided in such judgment, to continue to receive benefits as are available to the member, by means of the addition of a rider to the family plan or the issuance of an individual plan, either of which may be at additional premium rates determined by the commissioner of commerce and insurance to be just and reasonable in accordance with the additional insuring risks involved.

(c) The name, address, and policy number of a person eligible for health insurance coverage pursuant to subsections (a) or (b), if available, shall be forwarded by the insurance company to the department of commerce and insurance within thirty (30) days of the date when coverage of such person begins.

(d) Notice of cancellation of coverage of the divorced or separated spouse of a member shall be mailed to such divorced or separated spouse at such person's last known address, together with notice of the right to reinstate coverage retroactively to the date of cancellation.

(e) Claims paid on behalf of a divorced or separated spouse or on behalf of a dependent who is not residing with the member shall be paid to the physician, hospital or other provider of covered services or to the person on whose behalf such services are performed, unless the person is a minor child. In the event the person on whose behalf such services are performed is a minor, payment shall be made to the physician, hospital or other provider of such services or to the parent or custodian with whom the child resides.

SECTION 2. This act shall take effect July 1, 2001, the public welfare requiring it.